



General Assembly

February Session, 2008

Substitute Bill No. 5519

* _____HB05519INS____031108_____*

**AN ACT CONCERNING EMPLOYER HEALTH INSURANCE PREMIUM
PAYMENTS FOR TERMINATED EMPLOYEES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2008*) (a) In the event (1) an
2 employer, as defined in section 31-58 of the general statutes, terminates
3 an employee for any reason other than layoff, or (2) an employee
4 voluntarily terminates employment with an employer, such employer
5 may elect not to pay the premium for such employee under a group
6 health insurance policy after the date of such employee's termination.
7 In the event such employer makes such election, any insurer, health
8 care center, hospital or medical service corporation or fraternal benefit
9 society that issues such group health insurance policy shall credit such
10 employer the amount of any premium paid by such employer with
11 respect to such policy for such employee to the date of such employee's
12 termination, provided the employer notifies the insurer and the
13 terminated employee not later than seventy-two hours after the
14 termination. Upon the issuance or renewal of such policy, such insurer,
15 health care center, hospital or medical service corporation or fraternal
16 benefit society shall provide such employer with relevant information
17 related to such employer's election, including the employer's
18 responsibility to remit to the terminated employee such employee's
19 portion of the credited premium. Any such credit shall be applied
20 upon the subsequent renewal of such policy if such employer requests

21 such credit prior to the policy renewal date. In the event of nonrenewal
 22 of such policy, the insurer, health care center, hospital or medical
 23 service corporation or fraternal benefit society shall refund such credit
 24 to the employer.

25 (b) Notwithstanding the provisions of subsection (a) of this section,
 26 (1) any contractual agreement arrived at through collective bargaining
 27 that requires the employer to pay the premium for an employee under
 28 a group health insurance policy after the date of such employee's
 29 termination shall supersede the provisions of subsection (a) of this
 30 section, and in the event of a conflict, the contractual agreement shall
 31 be deemed to be controlling, and (2) no credit shall be available to an
 32 employer for any employee's coverage if such employee or any of the
 33 employee's covered dependents received health care services during
 34 the period for which the credit is requested.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2008	New section

Statement of Legislative Commissioners:

Technical changes made for accuracy.

INS *Joint Favorable Subst.-LCO*